

PRUDENTIAL'S PLAN TO DEMUTUALIZE

voting guide

What you need to do
about Prudential's
plan to demutualize
and go public

Draft as of 3/14/01



Prudential

What's in this package?



Letter of Recommendation from Prudential's Board of Directors



Voting Guide

This booklet provides an overview of Prudential's plan to demutualize and go public, and how it will affect you.



Policyholder Information Booklet, Part 1

Refer to this booklet for important information on Prudential's plan to demutualize and go public, including a copy of the Plan of Reorganization and notices of the public hearing and the policyholders' meeting.

Look here for a complete description of the plan to demutualize and go public.



Policyholder Information Booklet, Part 2

Refer to this booklet for financial and other information about Prudential and its operations.

Reply Cards

Your vote must be received by Month XX, 2001.

important



Postage-paid Return Envelope

Use this to return your completed Reply Cards. *Please do not mail your Reply Cards to your Prudential agent.*

If you do not have an envelope, mail to:
The Prudential Insurance Company of America
P.O. Box 00000
City, State, Zip



Questions? Need help?

Call toll-free at 1-800-000-0000. (TDD 1-800-000-0000.)

Note: Policyholders with foreign addresses should call 000-000-0000.

Or visit www.prudential.com

Draft as of 2/22/01

Your vote is important.

As a policyholder and an owner of Prudential you have an opportunity to participate in one of the most important steps the company has ever taken—converting to a stock company.

This step could present a direct financial benefit for you. As an eligible policyholder, you will receive shares of Prudential Financial, Inc. stock, cash or policy credits in exchange for your ownership interest in Prudential. And you will continue to enjoy the same insurance policy or annuity benefits you enjoy today.

Before converting to a stock company, we must obtain the necessary vote of approval on our Plan of Reorganization from our policyholders. We want you to be able to make a fully informed decision.

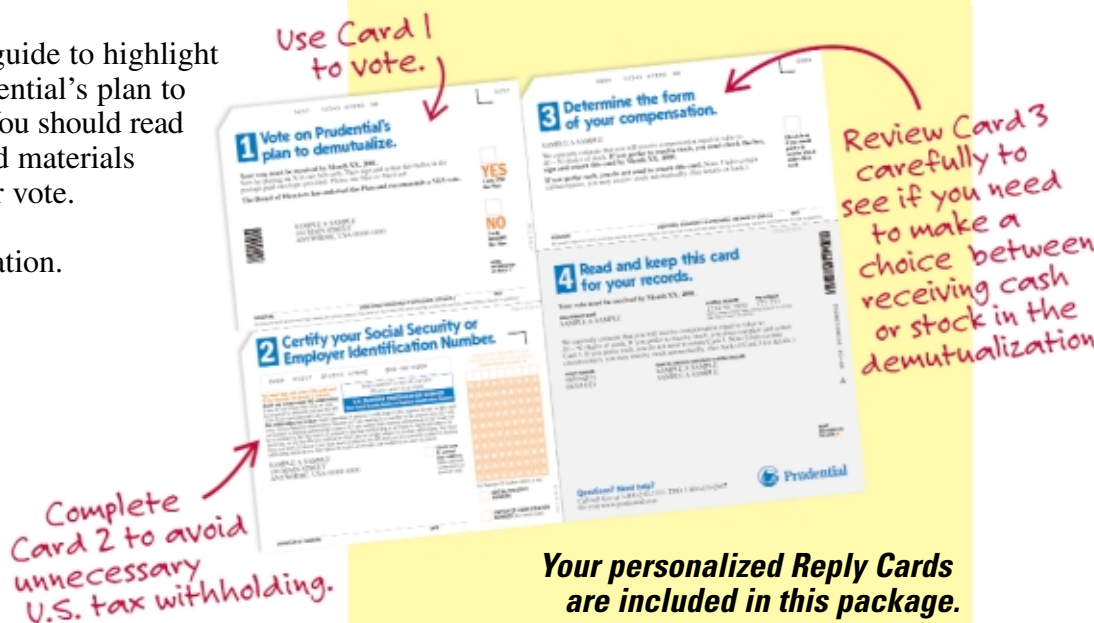
We've designed this voting guide to highlight key issues surrounding Prudential's plan to demutualize and go public. You should read this guide and other enclosed materials carefully before casting your vote.

Thank you for your participation.

What you should do now.

- 1 READ** the enclosed materials carefully.
- 2 COMPLETE** and sign the enclosed Reply Cards.
- 3 MAIL** your Reply Cards in the postage-paid envelope provided by Month XX, 2001.

For your convenience, you can also reply by phone, Internet, or in person. Just follow the directions on the back of Card 1.



Your personalized Reply Cards are included in this package.

Major steps in converting to a stock company.

Develop a Plan of Reorganization, which will create a new, publicly-owned holding company structure.
Completed.

Obtain approval of the Plan from the Board of Directors.
**Completed.
December 15, 2000**

Seek a vote of approval of the Plan from our policyholders.
We are here.

The New Jersey Commissioner of Banking and Insurance holds a public hearing where policyholders may express their views.
Month XX, 2001

Hold a special policyholder meeting to allow policyholders to vote on the Plan in person if they choose.
Month XX, 2001

Why Prudential is converting to a stock company.

Prudential is currently a mutual insurance company owned by our policyholders. This form of ownership has served the company and our policyholders well for many years. But the financial services industry has changed. More and more, our industry is being dominated by global, diversified, publicly traded companies.

By converting to a stock company, Prudential will be better able to compete in this environment. Like our competitors, we would be able to issue stock and more easily raise capital needed to fuel growth and pursue strategic opportunities.

Prudential's Board of Directors has determined that converting to a stock company is in the best interest of the company and our policyholders. We believe that it will make the company stronger, more competitive, and better able to serve the needs of our millions of customers around the world.

"We believe that converting to a stock company will create a stronger Prudential, and ultimately, a company of greater value. Our conversion plan is designed so that policyholders may participate fully in that value."

—Art Ryan, Chairman and Chief Executive Officer

Obtain a decision on the Plan from the New Jersey Commissioner of Banking and Insurance.

Anticipated later in 2001

Sell shares of the newly formed holding company, Prudential Financial, Inc., to investors in an IPO.

Anticipated later in 2001

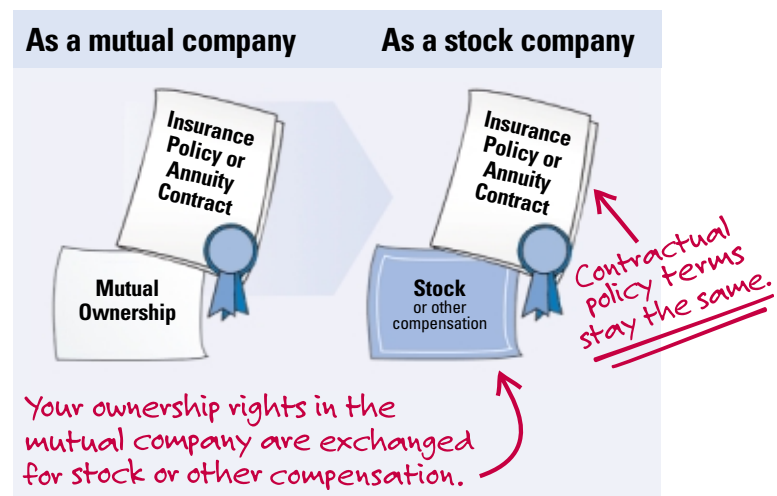
Distribute stock, cash and policy credits to eligible policyholders.

Anticipated later in 2001 and early 2002

Why you may receive stock, cash or policy credits.

You do not have to pay any money or give up your policy or contract to receive demutualization compensation. The fact is, as an insurance policyholder or annuity owner, you're already an owner of Prudential. You share that ownership with millions of other Prudential policyholders. However, because Prudential is a mutual company, you do not own stock.

Going public would change that. If we demutualize, in addition to the life insurance policy or annuity contract you already own, you may receive shares of stock that you can sell, trade or keep like any other stock. In some cases, you may receive cash or credits to your policy or contract.



Going public will not reduce your insurance policy or annuity values or guarantees in any way.

Your life insurance will remain as Rock Solid® as ever. Policies that pay dividends generally will continue to pay dividends as declared by the Board of Directors. As always, policy dividends are not guaranteed.

How your allocation of stock, cash or policy credits is calculated.

The amount of compensation you may receive is based on how your policy contributes to the company's surplus. This depends on a variety of factors, including the type of policy you own and when your policy was issued.

Card 4 shows the value of your compensation expressed as an estimated range of stock shares. This is an estimate, and it does not necessarily mean you will be paid in the form of stock. In some cases, you may be paid in cash or policy credits. For more information on how your compensation is determined, see *Policyholder Information Booklet, Part 1*.

Choosing between cash or stock.

Some policyholders will receive cash unless they elect to receive stock. If Card 3 indicates that you have a choice, consider the following questions to help decide which is right for you:

Is stock ownership right for you?

Prudential Financial, Inc.'s stock, like all stocks, will be subject to price fluctuations. Your shares may be worth more or less than their original value when you sell them. If you are uncomfortable with the risks of owning stock, cash might be a better option.

What are the tax implications?

If you choose cash, a one-time capital gains tax will apply for the year in which the cash is received. If you choose stock, this tax will apply whenever you sell shares, and you will be taxed on dividends you receive on your stock. In either case, be sure to complete and return Card 2 to avoid unwanted tax withholding. For more information on how your compensation will be taxed, see *Policyholder Information Booklet, Part 1*.

Questions? Need help?

Call toll-free at 1-800-000-0000. (TDD 1-800-000-0000.)

Note: Policyholders with foreign addresses should call 000-000-0000.

Or visit www.prudential.com

Policyholders who receive cash or policy credits will get additional compensation.

If your compensation is paid only in cash or policy credits instead of stock, you will receive approximately 10% additional compensation. This additional compensation is not reflected in the share range indicated on the front of Card 3 and Card 4. For more information on additional compensation, see *Policyholder Information Booklet, Part 1*.

What your shares may be worth.

It is currently estimated that the initial value of Prudential Financial, Inc.'s stock may be between \$XX and \$XX per share. The value of your shares (or the cash or policy credits you receive) will be based initially on this offering price. In addition, if the average closing prices of Prudential Financial, Inc.'s stock should appreciate within the first 20 trading days, policyholders who receive cash or policy credits may receive additional compensation referred to as a "Top-Up." For more information on the Top-Up provision, see *Policyholder Information Booklet, Part 1*.

For information on Prudential Financial, Inc., from an investor's perspective, see *Policyholder Information Booklet, Part 2*.

Please note:

The price at which Prudential Financial, Inc. shares will actually trade may be different from above, depending on circumstances at the time of the initial public offering (IPO), including the condition of the financial markets and the marketplace's view of how Prudential Financial, Inc. is performing.

Explanation of your Reply Cards.

PLEASE READ THE FRONT AND BACK OF YOUR PERSONALIZED REPLY CARDS FOR FURTHER INSTRUCTIONS AND DETAILS.

1

Vote on Prudential's plan to demutualize.

Your vote must be received by Prudential by 00:00pm (ET) on Month XX, 2001 to be counted. Please note: Some policyholders will not be qualified to vote but will receive compensation.

← Complete and return this card even if you don't qualify to vote.

2

Certify your Social Security Number or Employer Identification Number.

If you receive a cash distribution in lieu of stock and you have not returned this card, taxes must be withheld from your distribution. If you receive stock and you have not returned this card, taxes will be withheld from any future dividends paid on your shares.

3

Determine the form of your compensation.

Some policyholders will receive cash unless they elect stock. If Card 3 indicates that you have a choice, and you prefer stock, you should check the box, sign and return this card. If you prefer cash, do not return this card — you will receive cash automatically (provided that the number of shares allocated to you is less than the cash distribution cut-off amount established by Prudential's Board of Directors). *Cash distributions are subject to capital gains taxes in the year in which they are received.*

If your card does not indicate that you have a choice of cash or stock, there is no need to return this card.

4

Retain for your records.

Retain Card 4 for your records. It details your policies and/or contracts and estimates what you are to receive if Prudential demutualizes and goes public. Review this card carefully to make sure all of your life insurance policies and annuity contracts are listed. If the information is incorrect, call 1-800-000-0000 (TDD 1-800-000-0000).

NOTE: You may also reply by phone, Internet or in person. See the back of your Reply Cards for further instructions and details.

